

**UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF COLUMBIA**

UNITED STATES OF AMERICA

v.

EUGENIA C. HARRIS,

Defendant.

Case: 1:12-cr-00156
Assigned To : Kollar-Kotelly, Colleen
Assign. Date : 7/9/2012
Description: INFORMATION (A)
Case Related To: 12cr129; 12cr130 (CKK)

Criminal Number:

Violations:

18 U.S.C. § 371 (Conspiracy to Make a Contribution in the Name of Another, in violation of 2 U.S.C. §§ 441f, 437g(d)(1)(D), and to Destroy, Alter, or Falsify Records in Federal Investigations, in violation of 18 U.S.C. § 1519)

26 U.S.C. § 7206(1) (Fraud and False Statements)

D.C. Code §§ 22-1805a, 1-1131.01(e) (Conspiracy to Make a Contribution in the Name of Another Person)

INFORMATION

The United States Attorney charges:

At all time material to this Information:

Individuals and Entities

1. Defendant EUGENIA C. HARRIS ("HARRIS"), a resident of the District of Columbia, owned and controlled two for-profit corporations registered in the District of Columbia: Belle International, Inc. ("BELLE") and Details International, Inc. ("DETAILS"). Since at least 2010, BELLE and DETAILS had offices at 1025 Connecticut Avenue, Northwest, Suite 1000, Washington, D.C. 20036.

2. HARRIS had a close friendship and professional relationship with CO-CONSPIRATOR #1, who was the sole owner of COMPANY A and the majority owner of COMPANY B, both of which were District of Columbia for-profit corporations.

Federal and District of Columbia Election Laws

3. The Federal Election Campaign Act of 1971, as amended, Title 2, United States Code, Sections 431 through 455 (the "Campaign Act"), regulated financial activity intended to influence the election of candidates running for federal office, including the Senate, House of Representatives, Presidency, and Vice Presidency.

4. The Campaign Act established limits on the amounts individuals could contribute to individual candidate political campaign committees and multi-candidate political campaign committees (commonly referred to as political action committees or PACs).

5. To promote transparency and prevent individuals and corporations from circumventing these regulations, the Campaign Act prohibited a person from making a political contribution in the name of another person, including giving funds to a straw donor or conduit for the purpose of having the conduit pass the funds on to a federal candidate or political committee as his or her own contribution. It was also a violation of the Campaign Act for a person to reimburse a donor who had already given to a candidate, thereby converting the donor's contribution to his or her own. The Campaign Act also banned corporations from contributing money to candidates for federal office.

6. The District of Columbia Campaign Finance Reform and Conflict of Interest Act of 1974, as amended, D.C. Code §§ 1-1101.01 through 1-1151.06 (the "D.C. Campaign Finance Reform Act"), similarly regulated financial activity intended to influence the election of candidates for District of Columbia office. The D.C. Campaign Finance Reform Act established limits on the amounts individuals could contribute to individual candidate political campaign committees and also prohibited making a political contribution in the name of another person.

COUNT ONE

(Conspiracy)

7. The allegations in paragraphs 1 through 5 of this Information are realleged and incorporated by reference herein.

8. Between in or about January 2008 and in or about March 2012, in the District of Columbia and elsewhere, defendant EUGENIA C. HARRIS did knowingly and willfully conspire, combine, confederate, and agree with others, including CO-CONSPIRATOR #1, to commit the following offenses against the United States:

(a) Knowingly and willfully to violate the Campaign Act by making contributions and causing contributions to be made in the names of others to campaign committees of various candidates for federal office and political action committees, including an aggregate of more than \$10,000 in contributions during a calendar year, in violation of Title 2, United States Code, Sections 441f and 437g(d)(1)(D); and

(b) Knowingly to destroy, alter, and falsify a record with the intent to impede, obstruct, and influence the investigation or proper administration of any matter within the jurisdiction of any department or agency of the United States, and in relation to and contemplation of any such matter, in violation of Title 18, United States Code, Section 1519.

Objects of the Conspiracy

9. It was an object of the conspiracy that HARRIS and CO-CONSPIRATOR #1, being aware of the limits on individual federal campaign contributions, circumvented those limits by funneling personal and corporate money to others, including friends, family members, and employees, to make unlawful conduit political contributions to candidates for federal office.

10. It was an object of the conspiracy for HARRIS and CO-CONSPIRATOR #1 to destroy, alter, and falsify records to obstruct, impede, and influence federal officials from obtaining information concerning their involvement in federal and District of Columbia conduit campaign contributions, unreported political expenditures, and other activities within the jurisdiction of the United States in connection with a known and contemplated federal investigation or matter.

Manner and Means of the Conspiracy

11. Defendant EUGENIA C. HARRIS and others used the following manner and means, among others, in seeking to achieve the objects of the conspiracy:

(a) It was a part of the conspiracy for HARRIS and CO-CONSPIRATOR #1 to solicit and make illegal conduit campaign contributions, including through political fundraisers organized by CO-CONSPIRATOR #1 for candidates for federal office.

(b) It was a part of the conspiracy that CO-CONSPIRATOR #1 would solicit federal campaign contributions by promising to reimburse and by reimbursing contributions made by others, including HARRIS.

(c) It was a part of the conspiracy that HARRIS, at CO-CONSPIRATOR #1's direction, would solicit contributions from others, including friends, members of HARRIS's family, and employees of DETAILS, based on CO-CONSPIRATOR #1's promise to reimburse these contributions. HARRIS, in turn, promised others from whom she obtained contributions that their contributions would be reimbursed, and she reimbursed them with funds obtained from CO-CONSPIRATOR #1's businesses.

(d) It was a part of the conspiracy that, after becoming aware in or about June 2011 of a federal criminal investigation by the U.S. Attorney's Office for the District of Columbia and the Federal Bureau of Investigation into allegations concerning the 2010 District of Columbia Mayoral campaign of Candidate A, and in contemplation of a federal investigation, HARRIS and CO-CONSPIRATOR #1 arranged to take steps to impede federal officials from obtaining information concerning their involvement in conduit campaign contributions, unreported political expenditures, and other activities that would be within the jurisdiction of the United States.

Overt Acts

12. In furtherance of the conspiracy, and to effect the objects of the conspiracy, HARRIS and others performed and caused to be performed the following overt acts, among others, in the District of Columbia and elsewhere:

(a) In calendar year 2008, HARRIS contributed \$14,650 to various federal political campaigns and committees, which contributions were made at the direction of CO-CONSPIRATOR #1 and reimbursed by CO-CONSPIRATOR #1. During the same year, HARRIS solicited, at the direction of CO-CONSPIRATOR #1, contributions of \$2,300 per person – the maximum lawful amount at the time – to federal campaign committees from a family member, an employee of DETAILS, and a friend (totaling \$6,900). CO-CONSPIRATOR #1 reimbursed HARRIS for the \$21,550 in federal campaign contributions; HARRIS caused payments of \$2,300 to be made to her family member, employee, and friend as reimbursement for their contributions.

(b) In or about December 2011, CO-CONSPIRATOR #1 presented HARRIS with a falsified letter that purported to document a pre-existing agreement between BELLE and COMPANY B, created as part of an effort to conceal HARRIS's and CO-CONSPIRATOR #1's unlawful activity and falsely portray to federal officials that money CO-CONSPIRATOR #1 transferred to BELLE for campaign-related expenditures was instead legitimate income earned by BELLE for business activity.

(Conspiracy to Make a Contribution in Name of Another and to Destroy, Alter, and Falsify Records in Federal Investigation, in violation of Title 18, United States Code, Sections 371 and 1519, and Title 2, United States Code, Sections 441f and 437g(d)(1)(D))

COUNT TWO

(Fraud and False Statements)

13. The allegations in paragraph I of this Information are realleged and incorporated by reference herein.

14. In or about August 2011, in the District of Columbia, defendant EUGENIA C. HARRIS, a resident of the District of Columbia, did willfully make and subscribe a U.S. Corporation Income Tax Return for BELLE, for the calendar year 2010, which was verified by written declaration that it was made under penalties of perjury and which she did not believe to be true and correct as to every material matter. BELLE's 2010 tax return, which HARRIS caused to be filed with the Internal Revenue Service, was not true and correct in that it improperly deducted from BELLE's income \$908,217 in political expenditures, which were not

deductible expenses under the Internal Revenue Code, when in truth and in fact, as HARRIS then and there well knew and believed, BELLE's taxable income was greater than the amount reported.

**(Fraud and False Statements, In Violation of
Title 26, United States Code, Section 7206(1))**

COUNT THREE

(Conspiracy)

15. The allegations in paragraphs 1, 2 and 6 of this Information are realleged and incorporated by reference herein.

16. Between in or about January 2008 and in or about March 2012, in the District of Columbia and elsewhere, defendant EUGENIA C. HARRIS did knowingly and willfully conspire, combine, confederate, and agree with others, including CO-CONSPIRATOR #1, to make contributions and cause contributions to be made in the names of others to various candidates for District of Columbia office, in violation of D.C. Code § 1-1131.01.

Object of the Conspiracy

17. It was an object of the conspiracy that HARRIS and CO-CONSPIRATOR #1, being aware of the limits on individual District of Columbia campaign contributions, circumvented those limits by funneling personal and corporate money to others, including friends, family members, and employees, to make unlawful conduit political contributions to candidates for District of Columbia office.

Manner and Means of the Conspiracy

18. It was a part of the conspiracy that CO-CONSPIRATOR #1 would solicit District of Columbia campaign contributions by promising to reimburse and by reimbursing contributions made by others, including HARRIS.

19. It was a part of the conspiracy that HARRIS would also obtain contribution checks from others, including friends, members of HARRIS's family, and employees of DETAILS, based on CO-CONSPIRATOR #1's promise to reimburse these contributions. HARRIS, in turn, promised others from whom she obtained contributions that their contributions would be reimbursed, and she reimbursed them using funds obtained from CO-CONSPIRATOR #1's businesses.

Overt Acts

20. In furtherance of the conspiracy, and to effect the object of the conspiracy, HARRIS and others performed the following overt acts, among others, in the District of Columbia and elsewhere:

(a) In 2010, HARRIS made an individual contribution and caused BELLE and DETAILS each to make contributions to a CANDIDATE A, a candidate for Mayor of the District of Columbia, which contributions were reimbursed by CO-CONSPIRATOR #1. At the direction of CO-CONSPIRATOR #1, HARRIS also solicited contributions to CANDIDATE A of \$2,000 per person – the maximum lawful amount at the time – from 16 family members, employees, and friends (totaling \$38,000). CO-CONSPIRATOR #1 reimbursed HARRIS for the total \$44,000 in District of Columbia campaign contributions; HARRIS caused payments of

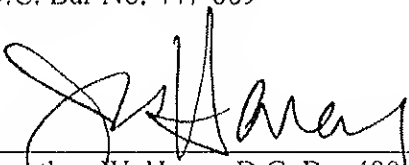
\$2,000 to be made to the 16 family members, employees, and friends to reimburse them for their purported contributions.

**(Conspiracy to Make a Contribution in the Name of
Another Person, in violation of Title 22, District of Columbia Code,
Section 1805a and Title 1, District of Columbia Code, Section 1131.01(e))**

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